



Best Management Practices (BMPs) For Fluid Minerals

- The Challenge
- The Solution

BLM Washington Office – Fluid Minerals Group

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June 21 & 24, 2004

Advertisement

Visual Resource Management BMPs For Fluid Minerals Self Study Course

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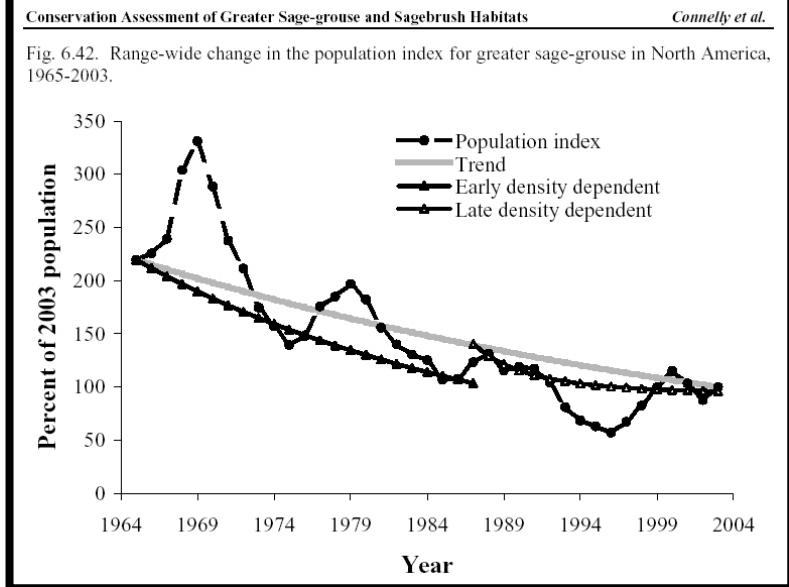
THE CHALLENGE

Status of the Species

Sage-grouse

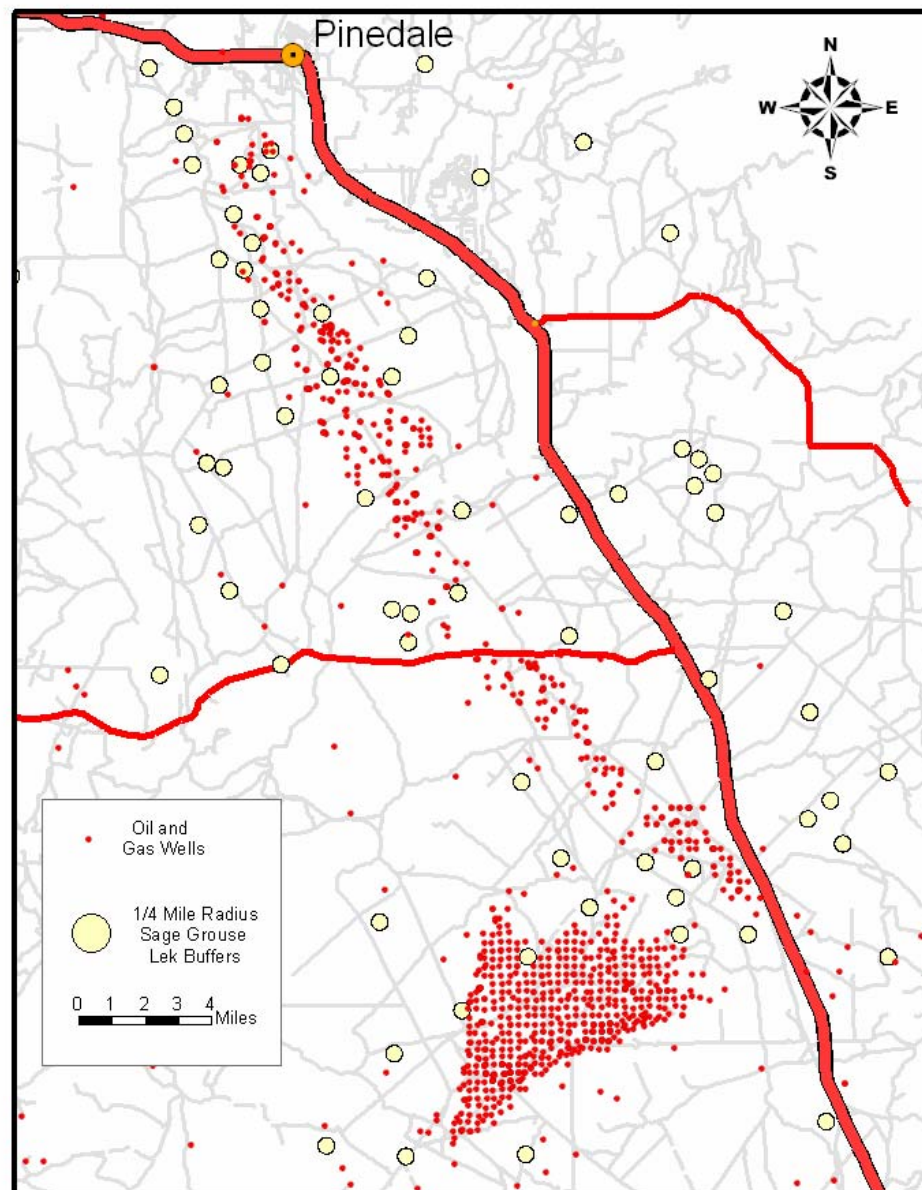


The US Fish & Wildlife Service is currently in the process of conducting a status review of the Greater Sage-grouse, to determine if it should be listed as an endangered species.



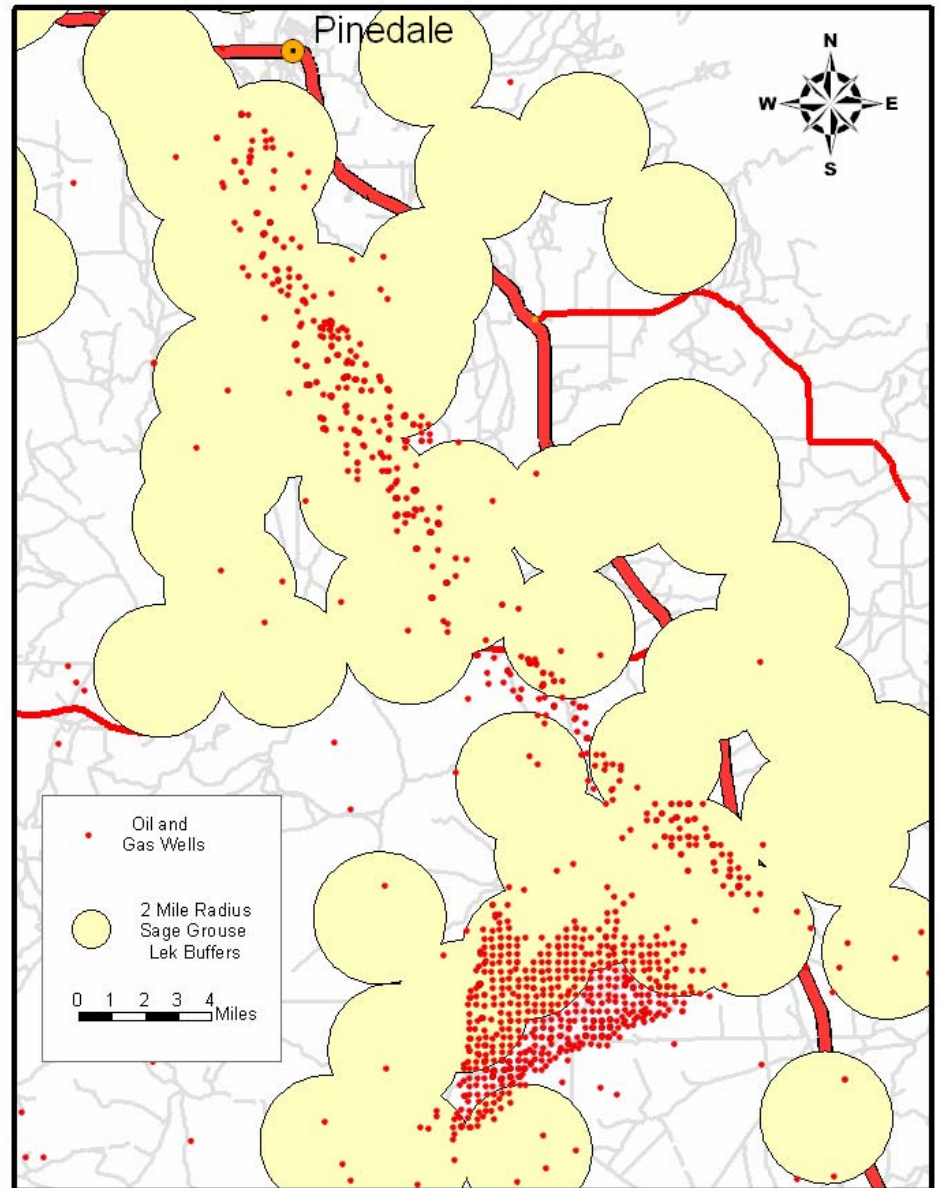
Current
“No Surface
Occupancy”
Areas

Typical ¼ Mile
Radius

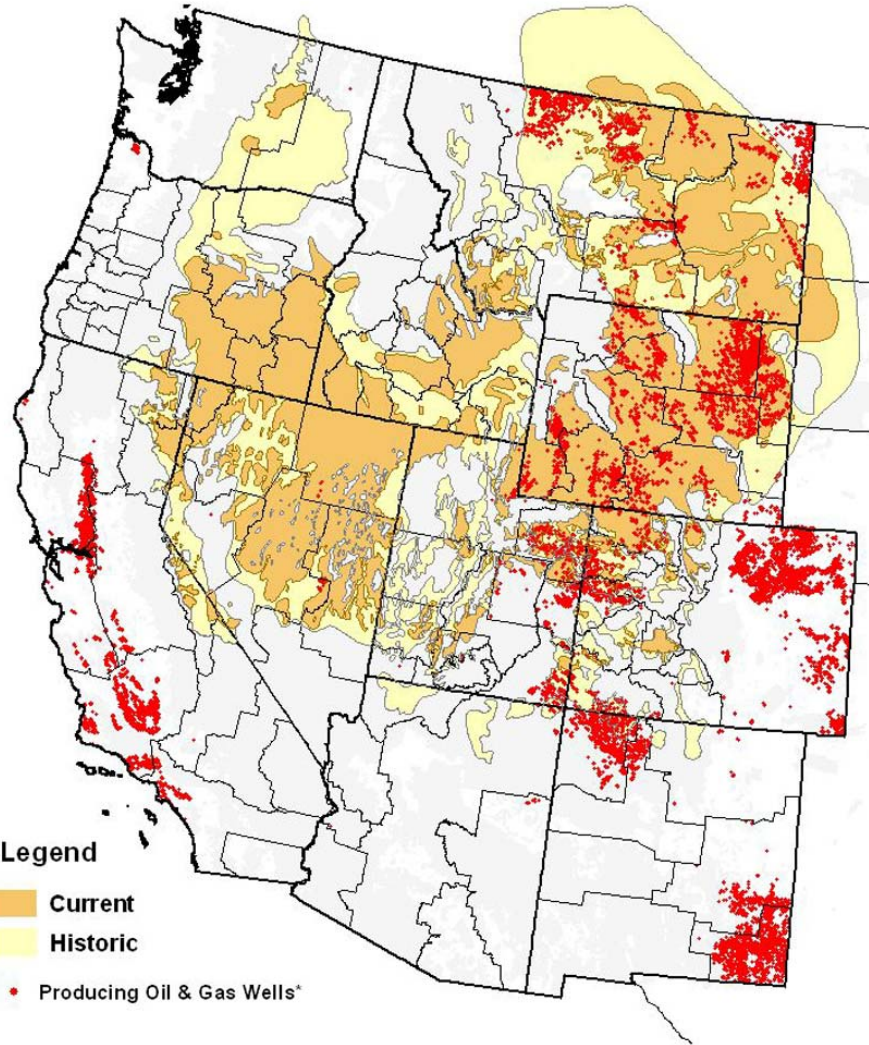


Potential “No Surface Occupancy” Areas

**If BLM went to a
2-Mile Radius**



Producing Oil/Gas Wells and Sage-grouse Occurrence



Legend

Orange Current
Yellow Historic

• Producing Oil & Gas Wells*

* Well locations based on
1995 USGS Oil & Gas Assessment.
At least one well per square mile.
Includes Federal and Non-Federal wells.

Source: Schroeder et al 2004

Who may be affected if the Greater Sage-grouse is listed as an endangered species?

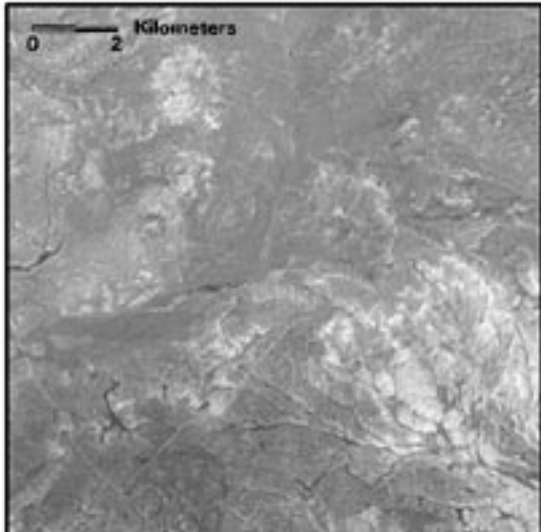
- A significant amount of energy production (as well as other uses) takes place within Sage Grouse habitat.
- Listing a species reduces flexibility, increases costs, and lengthens decision times in managing energy resources.

What Does the Public Want to See?

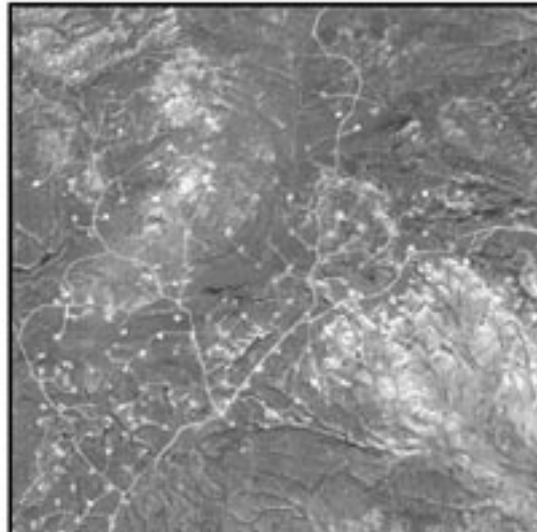


What the Public Sees

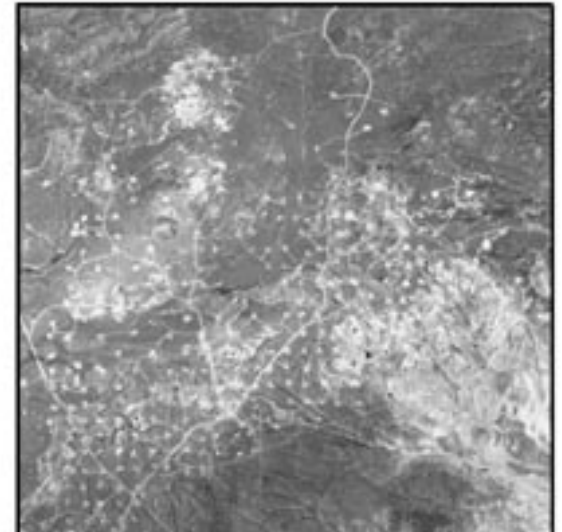
Increasing Development in Some Locations



1986



1999



2001 Photos by Skytruth

What the Public Sees



Oil on the Pad and in the Pit

(Private land)

(WY Outdoor Council Web Site)

**Old Well Located
Along a National
Historic Trail**



What the Public Sees

A2 MONDAY, MARCH 1, 2004

NATIONAL NEWS

THE WASHINGTON POST

Utah Oil and Gas Leases Stir Criticism

Sensitive Wildlife Habitats Auctioned to Bush Contributors, Environmentalists Say

By JULIET EILPERIN
Washington Post Staff Writer

The Bush administration has moved ahead with its plan to auction oil and gas leases on environmentally sensitive lands in Utah, reaping millions of dollars from broad swaths of lands near a national monument.

A detailed analysis of the leases auctioned to date, conducted by the Environmental Working Group, an advocacy group that opposed the leases, found that they encompass dozens of critical wildlife habitats that are now open for development. In many cases, the leases were purchased by contributors to President Bush's reelection campaign.

Although the federal government routinely auctions oil and gas leases on federal land, this series of sales represents only the second time in five years that it has done so on land it had previously determined to be wilderness quality.

"This is unprecedented," said Mike Casey, spokesman for the Environmental Working Group.

The auction has attracted the attention of more than 100 members of Congress, who wrote Interior Secretary Gale A. Norton last month asking her to hold off selling leases on tracts in areas eligible to be protected as wilderness.

The environmental group also

calculated, based on federal lease sales in 2000, that the land leased to oil and gas companies in Utah would yield average revenue of \$80 an acre a year, raising questions about whether the government got enough value from leases that sold for an average price of \$20 an acre for the first year, with a subsequent payment of \$2 an acre each year afterward.

"They're essentially giving land to people who are influential with their contributions," said Rep. Maurice D. Hinchey (D-N.Y.), who questioned Norton on the sales during an appropriations committee hearing last week. "If you put drilling rigs on it or if you build roads for it, it no longer qualifies for [wilderness] designation."

The lease sales on previously protected land in Utah began in November, after the Bush administration settled a lawsuit brought by the state seeking to overturn federal protections that the Clinton administration put on the land in 1999. Then-Utah Gov. Mike Leavitt, now administrator of the Environmental Protection Agency, struck a deal with Norton last year. The Bureau of Land Management had identified the areas as having wilderness quality but did not take the extra step of having them designated as wilderness by Congress, which would have protected them from development.

The bureau plans to auction off leases on a total of 46,000 acres by June, including the 5,000 acres leased last month.

"This epitomizes how the administration favors the interests of the oil and gas industry over every other public value of the land," said Jane Houlihan, vice president of the Environmental Working Group.

Don Banks, a spokesman for the Utah office of the Bureau of Land Management, said the administration took environmental factors into account in identifying land for auction and excluded more than half of the acreage it originally included.

"We do consider wilderness characteristics, but we do consider it on equal footing with all the other important resources we manage, including energy," Banks said. "Wilderness characteristics are valued, but they don't automatically trump all other resource uses and values."

All 14 parcels of land available were leased at the February auction, with some going for just \$5 an acre.

The acreage included seven Mexican spotted owl habitats, 12 golden eagle habitats and four peregrine falcon habitats, the Environmental Working Group's analysis found. Of the plots that have been leased or are scheduled to be leased, 27 contain sensitive flood-

plain areas, the group said, and five plots leased in November are in areas on which oil and gas exploration could contaminate the Colorado River system.

Lease auctions this year in Utah and in Colorado have partially ringed Dinosaur National Monument, a rugged and remote area popular with river runners. That means, environmental critics said, that visitors will have to pass by oil and gas rigs to reach the park, which includes the scenic Green and Yampa river canyons.

"America's crown jewels are being shamelessly ringed by oil and gas development," said Stephen Bloch, a lawyer with the Southern Utah Wilderness Alliance.

Banks said five parcels of land around the Dinosaur Monument were excluded from the sale.

The auction was lucrative for Utah and the federal government, which split the proceeds. The auction netted more than \$6 million, the most a land auction had reaped since 1988.

Four groups dominated the recent bidding: Retamco Operating Inc., a Montana-based company; Tidewater Oil & Gas Co., of Colorado; Baseline Minerals Inc., an Arizona-based company; and the Utah-based Thames River LLC.

Retamco ranked as the biggest player in the most recent auction, paying \$600,000 for leases in February alone. Its chairman, Stephen



Rep. Maurice D. Hinchey (D-N.Y.), right, questioned Interior Secretary Gale A. Norton last week about leases he said went to influential donors.

Gose of Montana, gave the maximum allowable contribution of \$2,000 to Bush last year, as did his wife. Retamco placed fourth in the 2002 election cycle among Montana's top donors of unregulated "soft money," giving \$7,050 to Republicans.

Gose said environmentalists were overreacting in criticizing the recent leasing of Utah lands.

"You need to be able to drill on state and federal lands," Gose said. "You don't harm it that much anyway."

Gose praised the Bush administration for making his company's oil and gas exploration work possible. He described the Clinton administration—which had sought to protect the lands—as "beholden to the extreme conservationists."

CORRECTIONS

A Feb. 28 article about a book on the Taliban's rule in Afghanistan said the book was unpublished. It was published in Iran last year in the Dari language.

A "For the Record" listing that appeared in the Feb. 27 Sports section advertising a one-day college exposure event for girls high school basketball players had an incorrect date. The event, put on by Blue Chip Basketball, will take place March 28 at American University.

Our Goal:

Sustainable Energy Development

*Meeting the needs of the current generation,
without compromising the ability of future
generations to meet their needs.*

To sustain energy development
we must have **public support**.....
or we will lose the opportunity
to develop energy minerals on much
of the public's lands.



Key Concept:

Oil & Gas Exploration and Production is a long-term,
but not a permanent use of the Public Land

Resources at Pre-Development:

Wildlife; Soils; Water; Air; Recreation; Visual;
Vegetation; Grazing; etc.



Resources at Energy Development Phase:

Energy; Wildlife; Soils; Water; Air;
Recreation; Visual; Vegetation; Grazing; etc.

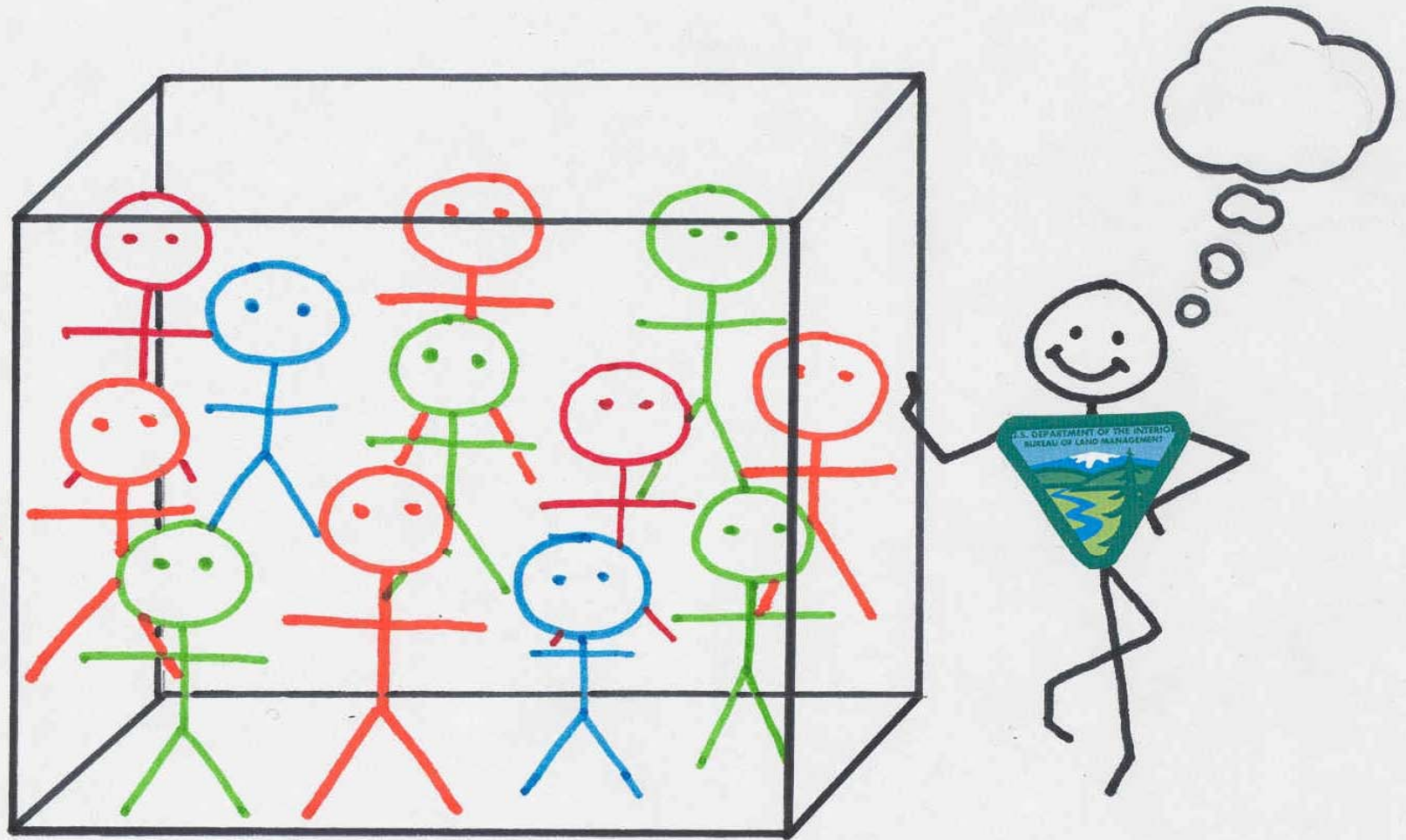


Resources at Field Reclamation Phase:

Wildlife; Soils; Water; Air; Recreation; Visual;
Vegetation; Grazing; etc.



(Over time, nearly all traces of energy development should be erased.)



THE BOX

YOU

Yet, always taking into account what is reasonable, necessary, and effective.



THE SOLUTION

Best Management Practices (BMPs)

“Improved Actions for Achieving Improved Results”

| | | |
|---|--|---|
| Siting or Location - Behind the Hill or Ridge | Color Selection - Blend with Background, Juniper Green* | Reducing Unnecessary Disturbance – Roads and pads |
| Interim Reclamation - Up to the Wellhead | Plans of Development (PODs) | Reduce Traffic – Centralized Production Facilities |
| Reclamation - Original Contour | Siting - Non-Linear Roads following the topography | Wastes and Spills – Bioremediation |

The Fine Print: A BMP suitable for use in one area, may not be suitable in the next. It is not “one size fits all.” It is the best practice to meet the needs of the situation.

Why BMPs?

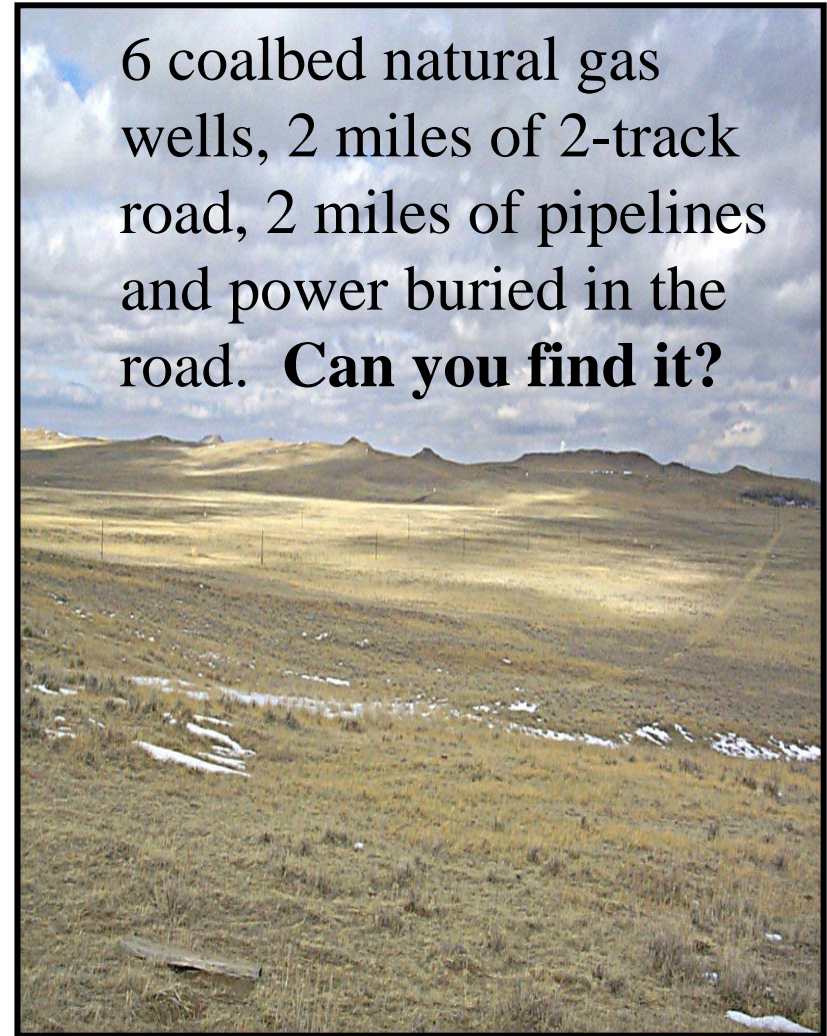
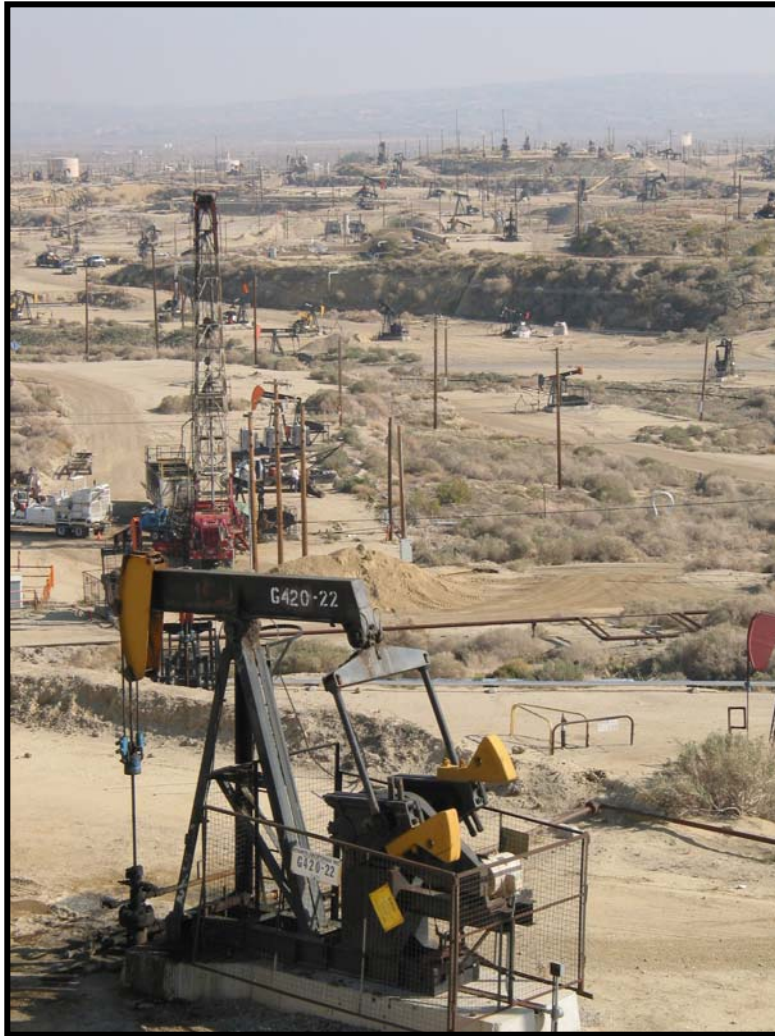
- **History:** Successful Use in Many BLM Offices.
- **Protect:** Wildlife Habitat, Forage, Water, Scenery.
- **Land Health Standards:** Found in all BLM Land Use Plans.
- **Minimal:** Cost or Even Cost Savings. Small Portion of the Cost of Drilling A Well.
- **Public Concerns:** Result in Increased Comments, Protests, Appeals, & Litigation.
- **It is the Right Thing to Do!**



This eagle was electrocuted because a raptor perch avoidance BMP was not used.

Traditional Development vs. BMP Development?

Both Photos Represent Extremes – Yet we can learn much from the photo on the right.



Objective: To Minimize the Footprint of Oil and Gas Operations

How Do We Get There?

- Good Science; Experience; Baseline Inventories; Monitoring; Follow-up Adjustments.
- Land Use Planning Lease Stipulations.
- **Early Coordination between BLM and the Operator.**
 - Pre-Development Planning
 - Sensitive Area Avoidance
 - Minimizing Impacts
 - Best Management Practices
- **BLM Receives Outstanding APDs Containing BMPs!**
As a Result: NEPA Simplified.
- Necessary BMPs Not Included within the APD can be attached to it as COAs.



APDs = Applications for Permit to Drill
COAs = Conditions of Approval